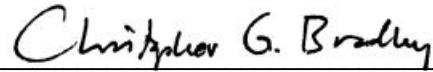




The relief described hereinbelow is SO ORDERED.

Signed August 08, 2024.

  
CHRISTOPHER G. BRADLEY  
UNITED STATES BANKRUPTCY JUDGE

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IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF TEXAS  
AUSTIN DIVISION

|                 |   |                       |
|-----------------|---|-----------------------|
| In re:          | § | Case No. 23-11007-cgb |
| ARTIUSID, INC., | § | Chapter 7             |
| Alleged Debtor. | § |                       |

**ORDER ABATING PROCEEDINGS ON DEBTOR'S MOTION FOR REHEARING,  
GRANTING STAY OF ORDER FOR RELIEF PENDING RULING ON  
CONSENSUAL DISMISSAL OF INVOLUNTARY CASE, AND  
SETTING PROCEDURES FOR APPROVAL OF DISMISSAL**

THIS MATTER came before the Court for Status Conference on Thursday, August 1, 2024 (the “**Status Conference**”), pursuant to the Court’s *Order Setting Status Conference on Motion for Rehearing of the Order for Relief* [ECF No. 74]. As referenced in that Order, the Debtor’s *Motion for Rehearing, Etc.* [ECF No. 70] (the “**Motion for Rehearing**”) was directed to the *Order for Relief Under Chapter 7* [ECF No. 62] (the “**Order for Relief**”) entered by the Court on July 24,

2024, following the entry of its *Opinion on Motion to Dismiss Involuntary Case* [ECF No. 60] and *Order Denying Motion to Dismiss* [ECF No. 61] on July 23 and 24, 2024, respectively.

At the Status Conference, counsel for the Debtor and Petitioning Creditors announced the terms of a settlement pursuant to which the Involuntary Petition [ECF No. 1] shall be dismissed by consent upon payment of an agreed sum to the trust account of New York litigation counsel for the Petitioning Creditors, subject to compliance with the procedures set forth in section 303(j) of the Bankruptcy Code, 11 U.S.C. §303(j), and to a stay of the Order for Relief pending such compliance and dismissal. The Court having heard from counsel for the Debtor, Petitioning Creditors, the Chapter 7 Trustee and other parties in interest on the record at the Status Conference, and otherwise being duly advised in the premises, finds and determines that the proposed procedures as set forth on the record and below are reasonable and calculated to avoid prejudice to the interests of all parties in interest. Accordingly, it is

**ORDERED AND ADJUDGED AS FOLLOWS:**

1. Within seven (7) days of the entry of this Order, the Debtor and Petitioning Creditors shall file a stipulation and/or joint motion setting forth their consent to the dismissal of the Involuntary Petition (the “**Dismissal Motion**”) under section 303(j) and/or 707 of the Bankruptcy Code, 11 U.S.C. §§303(j), 707, as the Court may determine to be applicable..

2. Pursuant to Local Rules 9013 and 9014 of this Court, the Debtor and Petitioning Creditors shall comply with this Court’s rules regarding service and negative notice period in respect of the Dismissal Motion. In connection with that Motion, the Debtor shall identify all known creditors, whether their claims are contingent, disputed, or unliquidated, and file, under penalty of perjury, a matrix identifying the creditors by name and last known address. The Debtor shall serve the Dismissal Motion and attachments and any notice of hearing upon all creditors and

interested parties, including the Chapter 7 Trustee and the United States Trustee, and file a certificate of service of same.

3. Pending a final disposition of the Dismissal Motion at the hearing to be scheduled as set forth above:

- a. The Order for Relief be and hereby is **STAYED IN ALL RESPECTS except as stated on the record and expressly provided for in this Order**, upon the condition that during the period of such stay the Debtor shall make no transfers or dispositions of assets outside the ordinary course of its business;
  - b. Except as otherwise set forth herein the Chapter 7 Trustee shall be **DISCHARGED** of any responsibility to act as a Trustee under section 704 of the Bankruptcy Code, 11 U.S.C. §704, as indicated on the record at the Status Conference and subject to further order of the Court; and
  - c. All proceedings on the Motion for Rehearing are hereby **ABATED**.
  - d. Notwithstanding the entry of the Stay as set forth above, the Chapter 7 Trustee shall have the right to appear and be heard in respect of the Dismissal Motion and any other matter, and to seek the allowance and payment of reasonable fees and expenses.
4. The Debtor shall submit the following cash flow reports to the U.S. Trustee:
- a. On a one-time basis, a recent cash flow statement covering a six-month period prior to July 24, 2024; and
  - b. On a bi-weekly basis commencing on July 24, 2024, to be submitted within 7 days from the close of each such period pending further Order of the Court.

5. The Dismissal Motion also will present the settlement between the Debtor and Petitioning Creditors to the Court for approval in accordance with Bankruptcy Rule 9019.

6. New York litigation counsel for Petitioning Creditors shall not distribute any settlement proceeds prior to the entry of an further order from this Court dismissing this involuntary case, which order has become final and is no longer subject to rehearing or appeal. .

7. For avoidance of doubt, the relief set forth in this Order is effective immediately as of the Status Conference.

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